



PRESS RELEASE

Internal Revenue Service - Criminal Investigation Cincinnati Field Office *Special Agent in Charge Kathy A. Enstrom*

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LOCAL CUSTOM INTERIOR DESIGNER INDICTED IN SCHEME TO DEFRAUD HER CLIENTS AND THE IRS

COLUMBUS, OHIO -- A federal grand jury here has indicted Connie L. Christy, 60, of New Albany, Ohio, charging her with one count of income tax evasion, three counts of wire fraud, 11 counts of money laundering, 15 counts of structuring currency transactions to evade the reporting requirements, and 14 counts of theft of government funds.

Carter M. Stewart, United States Attorney for the Southern District of Ohio and Kathy A. Enstrom, Special Agent in Charge, Internal Revenue Service Criminal Investigation (IRS), Cincinnati Field Office announced the indictment which was unsealed today following Christy's court appearance.

According to the indictment, since 2007 Christy owned and operated Christy Collections, Inc., an Ohio based custom interior design firm. Between February 2011 and October 2013, Christy allegedly devised a scheme to defraud her clients as to the actual cost of her design services, which resulted in a substantial overpayment by her clients. Once the contract for services was secured, Christy requested additional funds from her clients under the guise that the contractors had forgotten to include all items in their quotes, or that the retailers had gone out of business before providing the materials.

When confronted by her clients, Christy allegedly attempted to convince the retailers to provide her with fraudulent invoices and even attempted to keep the retailers from communicating with a forensic accountant. In an attempt to substantiate the amount of money billed to her clients, Christy allegedly included amounts of personal expenditures, as well as expenses paid to a fictitious vendor, in the bills for her clients.

Christy allegedly transferred some of the funds received from her clients from her business bank account to her personal bank account.

It has been alleged that as a result of this scheme, between February 2011 and July 2011 Christy deposited checks totaling at least \$724,465.25.

Christy allegedly committed income tax evasion by filing a false federal income tax return with the IRS for the 2011 income tax year in which she knew that her taxable income and the amount of tax due and owing was substantially more than what she had reported, which was \$205,771 in taxable income and \$47,224 in tax due and owing.

The indictment further alleges that between July 2012 and August 2012, Christy deposited approximately \$144,850 in currency in 15 separate transactions, all of which were under the \$10,000 threshold for the reporting requirements for such transactions.

Additionally, between April 2010 and May 2011, Christy allegedly stole approximately \$9,352 in government benefits by filing a false re-application for benefits with the Franklin County Job and Family Services.

Christy was arrested on April 10, 2015. Christy was released on bond following a hearing before U.S. Magistrate Judge Terence P. Kemp.

Income tax evasion carries a maximum penalty of 5 years in prison; wire fraud carries a maximum penalty of 20 years in prison; money laundering, structuring currency transactions as alleged in this indictment, and theft of government funds carries a maximum penalty of 10 years in prison.

“Connie Christy perpetrated a scheme that not only systematically defrauded the government, but also her clients, who had faith in her ability to provide the services for which they paid for,” said Kathy A. Enstrom, Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office.

This case is being prosecuted by Assistant United States Attorney Jessica W. Knight and was investigated by special agents of IRS-Criminal Investigation.

An indictment merely contains allegations, and the defendant is presumed innocent unless proven guilty in a court of law.

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